

Australia Small Cap Income Unit Class

TAMIM Fund

At 31 March 2024



Dear Investor,

We provide this monthly report to you following conclusion of the month of March 2024.

The TAMIM Small Cap Fund was up +4.88% (net of fees) during the month, versus the Small Ords up +4.79% and the ASX300 up +3.26%. CYTD the fund is up +4.44%.

M&A activity was once again a feature of our portfolios and partly attributed to the strong performance. We discuss takeover activity in more detail in the portfolio commentary section of the report.

During the month, we spent time meeting with management teams during their roadshow activity post the February reporting period. We find this time conducive for further share price appreciation for companies that reported well during February but lost investor attention due to the busy and condensed nature of results season.

We continue to find quality companies with exciting growth stories and some turnaround situations that are completely ignored by the wider market. Historically we have found that small to mid caps that remain undervalued for an extended period of time - end up being acquired or go through a very rapid re rate in a short period of time.

It's important to get set in these opportunities before the market cottons on to them, but we must also be aware of the catalysts or otherwise find ourselves trapped in positions that can end up wasting our valuable time and investor capital.

Finally, investors should keep in mind that on average, every year experiences several market pullbacks, and so as investors we should expect these and welcome them. We see these pullbacks as strong buying opportunities (Buy the Dip) for the longer term - just as we have been saying for the last 5 years.

The market is now trying to grapple with the number and quantum of interest rate cuts that the US Federal reserve is expected to announce this year. We see this as a short term distraction and we are rather watching economic indicators and company earnings (both currently strong) - which we believe are the key drivers for markets going forward.

Portfolio Performance

Inception: 1/1/2019	1 month	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)	Since inception (total)
Small Cap Income	4.88%	21.28%	6.34%	10.96%	12.21%	83.01%
ASX Small Ords	4.79%	13.62%	2.65%	5.38%	7.53%	46.34%
Cash	0.36%	4.14%	2.10%	1.48%	1.48%	8.00%

Note: Portfolio returns are quoted net of fees. Returns shown for longer than 1 year (other than "Since inception (total)") are annualised. The information provided in this factsheet is intended for general use only. The information presented does not take into account the investment objectives, financial situation and advisory needs of any particular person nor does the information provided constitute investment advice. Under no circumstances should investments be based solely on the information herein. Please consider our Information Memorandum and Services Guide before investing in any of our products. Past performance is no guarantee of future returns. Returns displayed in this document are unaudited. For wholesale and sophisticated investors only. ASX Small Ords refers to the S&P/ASX Small Ordinaries Index.

Key Facts

Investment Structure:	Unlisted unit trust
Minimum investment:	A\$100,000
Applications:	Monthly
Redemptions:	Monthly, with 30 days notice
Unit pricing frequency:	Monthly
Distribution frequency:	Semi-annual
Management fee:	1.25% p.a.
Performance fee:	20% of performance in excess of hurdle
Hurdle:	Greater of: RBA Cash Rate + 2.5% or 4%
Lock up period:	Nil
Buy/Sell Spread:	+0.25%/-0.25%
Exit fee:	Nil
Administration & expense recovery fee:	Up to 0.35%
APIR code:	CTS8008AU

NAV

	Buy Price	Mid Price	Redemption Price
AU\$	\$1.6307	\$1.6266	\$1.6226

Portfolio Allocation

Equity	95.50%
Cash	4.50%
Industrials	20.50%
Cons. Disc.	17.90%
Information Technology	16.40%
Cons. Staples (non cyc)	14.90%
Health Care	14.30%
Financials	11.80%
Real Estate	4.20%

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We provide a brief commentary on portfolio holdings results during the month in the portfolio section of the report. We look forward to providing further updates in our next monthly report in May.

Sincerely yours,

Ron Shamgar and the TAMIM Team.

Portfolio highlights:

Embark Education (ASX: EVO) is an early learnings childcare operator in Australia. The company is run by its founder Chris Scott, who previously founded G8 Education (GEM). Chris is a highly experienced executive in the sector and is well versed in how to manage these businesses and what types of centers and locations to acquire. EVO operates 24 centers and in CY2023 reported EBITDA of \$17m (up 30%) and paid 4 cents in dividends.



At the start of the month EVO announced the acquisition of 9 centers for \$25m which will add \$6.3m of EBITDA. Five centres in Victoria. Four centres in Queensland. Management also declared a 1.5 cents fully franked dividend. We anticipate at least 5 cents of fully franked dividends during CY2024 and an EPS of 7 cents per share. The sector tends to consolidate over time and we expect EVO to be a target in the future. Our valuation is 85 cents for this year.

Pacific Smiles (ASX: PSQ) in our February report we wrote: "The board is currently engaged with Genesis regarding its \$1.40 takeover bid and we get the sense there are other interested parties. We believe any offer needs to be \$1.80 or higher to win board support considering the recent performance and outlook"



During the month the board announced a revised \$1.75 cash bid from Genesis and advised it will recommended the offer once it becomes binding following an extended due diligence period we expect to be complete by the last week of April. The offer will include an option for some holders to roll in their shares into an unlisted entity. We see the offer as fair and attribute a low, but a possible chance of a higher counter bid. Overall we made approximately +70% gain in around 6-7 months.

Quantum IP (ASX: QIP) is a leading intellectual property, patent and trademark legal firm. The company reported a significantly improved 1HFY24 results and is forecasting EPS of 13 cents this year and 10 cents fully franked dividends. A week post their results the company responded to media reports of change of control discussions with Private Equity owned Rouse International. We built a position following the results and post the takeover disclosure in the \$1.30s range.



During the month QIP once again responded to media reports that Adamantem Capital has offered a \$1.82 cash bid to acquire QIP. The board agreed to allow Adamantem a period of due diligence as their offer was superior to the Rouse offer. We reduced and took profits at \$1.60+ and continue to hold a smaller position as we expect the bid to become binding later in April.